

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
LAKE VILLAGE WATER ASSOCIATION) CASE NO. 10355

O R D E R

On August 19, 1988, Lake Village Water Association, Inc., ("Lake Village") filed its revised tariff sheets with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to KRS 278.012 and 807 KAR 5:068, Purchased Water Adjustment.

The Commission, having reviewed the evidence of record and being advised, is of the opinion and finds that:

1. Lake Village purchases water from two suppliers, the City of Danville ("Danville") and the City of Harrodsburg ("Harrodsburg").

2. Danville bills on a declining block rate schedule. Effective August 15, 1988, Danville increased its rates for wholesale water by approximately \$.60 per 100 cubic feet. There was no change in the rates charged by Harrodsburg.

3. During the 12 months ending June 30, 1988, Lake Village purchased a total of 126,467,807 gallons of water, 49,625,992 gallons from Harrodsburg and 76,841,815 gallons from Danville. Lake Village sold 79,434,000 gallons during the same 12-month period.

4. Lake Village proposes to adjust its rates effective September 20, 1988.

5. The increase in purchased water costs is \$61,948, resulting in a purchased water adjustment of \$.78 per 1,000 gallons.

6. The purchased water adjustment of \$.78 per 1,000 gallons and the rates in Appendix A are fair, just, and reasonable and should be approved.

7. Lake Village's proposed tariff is correct and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment in the amount of \$.78 per 1,000 gallons of water and the rates in Appendix A are hereby approved for services rendered on and after September 20, 1988.

2. The proposed tariff filed by Lake Village is approved as filed.

Done at Frankfort, Kentucky, this 15th day of September, 1988.

PUBLIC SERVICE COMMISSION

Richard D. Demery, Jr.
Chairman

Robert M. Davis
Vice Chairman

James H. Williams
Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 10355 DATED 9/15/88

The following rates and charges are prescribed for the customers in the area served by Lake Village Water Association. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

<u>USAGE BLOCKS</u>	<u>RATES</u>
First 1,000 gallons	\$10.68 per 1,000 gallons
Next 2,000 gallons	4.28 per 1,000 gallons
Next 2,000 gallons	3.98 per 1,000 gallons
Next 5,000 gallons	3.68 per 1,000 gallons
Over 10,000 gallons	3.38 per 1,000 gallons